

Date of Hearing: April 26, 2011

ASSEMBLY COMMITTEE ON VETERANS AFFAIRS

Paul J. Cook, Chair

AB 1224 (Committee on Veterans Affairs) – As Introduced: February 18, 2011

**SUBJECT:** Employment training panel: 3-year plan: training programs: veterans: National Guard members.

**SUMMARY:** Expands the Employment Training Panel (ETP) 3-year plan to include projects that support veterans and members of the California National Guard. Specifically, this bill:

- 1.) Requires the ETP to include in its 3 year plan, a description of the goals, objectives, and strategies to support target populations, including military veterans and members of the National Guard.

**EXISTING LAW:**

- 1) Provides for the establishment of employment training programs and specifies which individuals qualify as "eligible participants" of the training programs.
- 2) Establishes the Employment Training Panel (ETP) in the Employment Development and requires the Governor to appoint the executive director and two assistant directors of ETP specifying that at least one assistant director have experience serving the needs of small business.
- 3) Provides that ETP is governed by eight panel members. Seven are appointed by the Governor and the leadership of the Legislature and have backgrounds in business management and employee relations, as specified. The Secretary of Business, Transportation and Housing, or his/her designee, shall serve as an ex officio, voting member.
- 4) Specifies the duties of ETP to include entering into contracts for training in job-related vocational skills, as specified and permits the ETP, subject to certain requirements, to delegate its authority to approve contracts for new hire training to any entity, as specified, for purposes of serving the needs of small businesses.
- 5) Requires the ETP, among other things, to establish a 3-year plan, as specified, that must be updated annually to establish minimum standards for the consideration of proposals, including the identification of employers, and to develop a process by which local workforce investment boards may apply for marketing resources for the purpose of identifying local employers that have training needs reflecting the priorities of the panel. Authorizes the ETP to delegate its authority to approve contracts for training to local workforce investment boards, as provided.
- 6) Requires the ETP to allocate its annual funds for the training programs designed for individuals who are currently working and receiving specified benefits, as provided.
- 7) Authorizes the ETP to utilize funds in the Employment Training Fund (ETF) for, among other expenditures, the purpose of funding up to five licensed nurse training programs to

train individuals who are currently working as nurse assistants or caregivers in a health facility, as defined.

FISCAL EFFECT: Unknown.

COMMENTS: The ETP is one of several departments within the Labor and Workforce Development Agency that assists employers in strengthening their competitive edge by providing funds to off-set the costs of job skills training necessary to maintain high-performance workplaces.

In recent years, the ETP has faced significant reductions in its funding. In fiscal year (FY) 2007-08, ETP's appropriation was almost 30 percent below its historical funding level. The ETP has also experienced a 27 percent reduction in staff in the past few years. Thus, the panel could maximize the effects of current resources by identifying target populations, including veterans and National Guard members.

The Plan outlines ETP's strategies for accomplishing its mission in the next fiscal year based on an assessment of various factors including the state of the economy, priority industries, ETP's economic development role, employer demand for training, key workforce trends and training needs, and ETP's budget and available resources. The Plan must, "...identif[y]...specific industries, production and quality control techniques, and regions of the state where employment training funds would most benefit the state's economy and plans to encourage training in these areas,..." (UIC section 10205 (b) (2))

Veterans are a potential target population; they have less than national average employment retention rates. In 2010, the employment retention rate in California for non-disabled veterans was 72 percent, which is four percent below the national average. Employment retention among disabled veterans was 70 percent, three percent below the national average. The employment retention rate reflects the percentage of individuals still employed two quarters after receiving employment services from a state workforce agency.

Related Legislation:

AB 1567 (Committee on Veterans Affairs, 2009) was vetoed by Governor Schwarzenegger.

The veto message states that ETP already supports employment training for military veterans and its annual strategic planning process already puts a strong focus on developing training projects and partnerships in the veteran community. Governor Schwarzenegger stated that this bill would reduce ETP's flexibility to meet the changing needs of California's employers and workers.

REGISTERED SUPPORT / OPPOSITION:

Support

American Legion-Department of California, AMVETS-Department of California, California State Commanders Veterans Council

Opposition

None on file

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